INDIAN AND NATIVE ECONOMIC DEVELOPMENT IN SASKATCHEWAN

INDIAN AND NATIVE
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NATIVE AND INDIAN ECONOMIC DEVELOPMENT IN SASKATCHEWAN

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NATIVE AND INDIAN ECONOMIC DEVELOPMENT IN SASKATCHEWAN

I. PURPOSE

The purpose of this paper is to describe the pertinent background considerations, major strategic options and corresponding program elements in respect of the Provincial framework of policies and programs to support the economic development of Saskatchewan citizens of Indian ancestry.

II. CONSIDERATIONS

1. Economic Prospects

In the March, 1984 budget, the government set out a number of key principles reinforcing the commitment to an "open for business" philosophy. These principles included:

- a balanced approach towards development, involving both government and business;

- an activist orientation to encourage investors both in and outside of the Province to support business development in Saskatchewan;

- a focus on building on the Province's existing strengths, particularly in natural resources, such as agriculture, potash, minerals, oil and natural gas, which contribute significantly to Saskatchewan's wealth; and

- a commitment that the principal objective of economic growth is to ensure that the people of Sasktachewan find worthwhile, challenging and permanent employment.

These principles for the economic and social prosperity of Sasktachewan shape the programming of the Government for a robust and growing provincial economy. The modest economic growth that was experienced in 1983 is forecast to accelerate during 1984 and 1985 as the recovery shows continuing strength in all significant sectors of the economy. The rich, and often unexploited, Provincial resource base is matched with a skilled labour force which experiences one of the lowest unemployment rates in Canada, leaving Saskatchewan well poised to reap the benefits of a period of economic growth and expansion.

The Indian and Native populations of Saskatchewan, however, have neither shared fully in past growth nor are they likely to share in future expansion in the absence of specific Provincial initiatives. The lack of integration of native peoples into the Provincial economic mainstream is the one cloud in an otherwise bright economic future representing a loss not only of the

native economic contribution and potential, but also posing social problems with broad negative economic consequences in terms of social tensions and effects on the general investment climate. This, in view of the promising prospects, is a social and human resource management challenge of important dimensions.

2. Native and Indian Populations

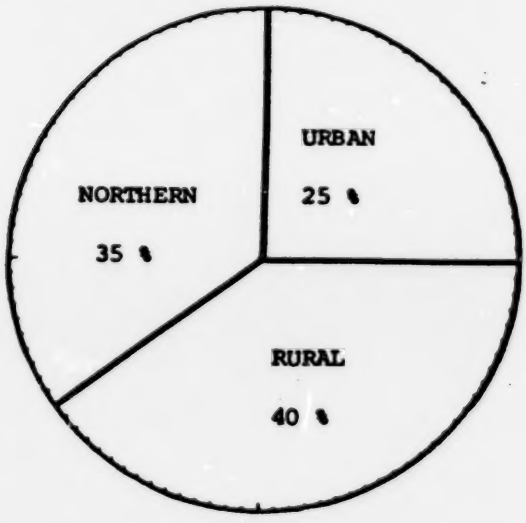
Saskatchewan citizens of Indian ancestry form a significant and growing part of the overall Saskatchewan population. The best data available indicate that:

- there are as many as 91,000 persons of Indian ancestry potentially representing 9.5 per cent of the Saskatchewan population;

- Métis and Non-Status Indians comprise about 40 per cent and Status Indians about 60 per cent of the Saskatchewan population of Indian ancestry

CHART I

GEOGRAPHICAL DISTRIBUTION OF SASKATCHEWAN NATIVE PEOPLES



- geographically, 25 per cent live in urban areas, 35 per cent live in the north and 40 per cent live in other rural areas. Persons of Indian ancestry represent two-thirds of the Saskatchewan population in the north; and

- the native population is much younger than the general population of Saskatchewan resulting in the forecast that natives will represent up to 20 per cent of new labour force entrants in the next decade.

All major indicators suggest that citizens of Saskatchewan of Indian ancestry experience socio-economic conditions far below the Provincial or national norm. Specifically:

Chart II

LABOUR FORCE ACTIVITY AMONG SASKATCHEWAN NATIVE PEOPLES

- labour force participation rates are about two-thirds of the non-native rate, while the unemployment rate is three to four times that of the rest of the Saskatchewan population;

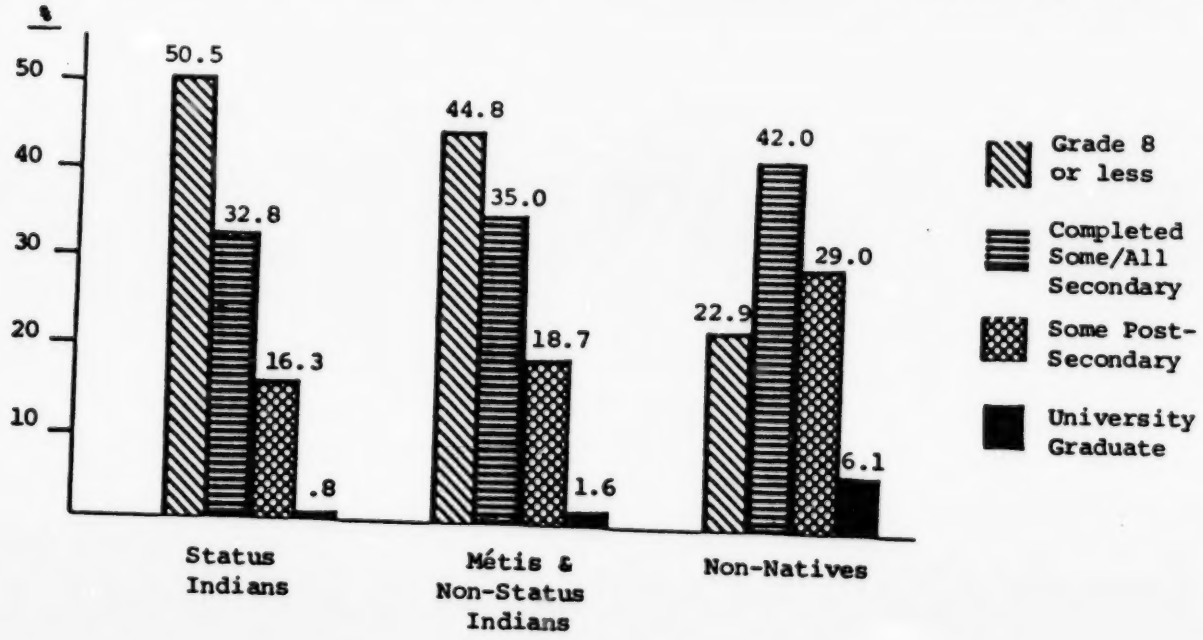
- levels of capital formation and business development lag far behind non-native experience;

- educational attainment levels indicate continuing problems of social adjustment and economic integration, for example, 50 per cent of the population over 15 years of age have not progressed beyond primary school - twice the Saskatchewan rate - while university graduation rates are less than one-third of the general population;

- average income levels for employed native persons are less than two-thirds of the Saskatchewan level; and

Chart III

EDUCATIONAL ATTAINMENT LEVELS AMONG SASKATCHEWAN NATIVE PEOPLES



- poor housing and the deficiency of infrastructural amenities give rise to significant differences among social conditions. For example, the infant mortality rate among native populations is three times the national rate.

Among native peoples, Status Indians as compared to Métis and Non-Status Indians consistently rank notably lower across all significant social and economic indicators. For example, the labour force participation rate for Status Indians is about 40 per cent, while it is about 50 per cent for Métis and Non-Status Indians. More than 50 per cent of Status Indians have not

progressed beyond elementary school, while the corresponding figure for Métis and Non-Status Indians is about 45 per cent.

Economic conditions are so poor for most Saskatchewan native peoples that generalized conditions of economic depression and poverty mark the continuing life of communities and individuals, irrespective of the particular phase of the business cycle or the geographic location of the population. The rapidly growing numbers of inadequately prepared native peoples in cities are only slowly adapting to the demands of urban life, posing problems of labour force adjustment and increasing misperceptions and social tensions.

Readers are referred to Appendix A for greater detail and elaboration of the demographic and economic characteristics of Saskatchewan native peoples.

3. Development Experience

Notwithstanding the rather grim reality portrayed above, the picture is far from bleak. The past decade has witnessed the impressive growth of indigenous peoples' capabilities and activities related to critical economic considerations such as the creation of institutional supports, small business expansion, sectoral resource development and labour force development.

Saskatchewan Indians and Natives have been national leaders in the range and sophistication of economic and educational institutions they have created to support their own development. A more detailed elaboration of Indian and Native institutions is set out in Appendix B.

Economic institutions such as the Saskatchewan Indian Agriculture Program (SIAP) and the Saskatchewan Indian Arts and Crafts Corporation (SIACC), have been established to pursue specific goals of a sectoral or program nature. These institutions are directly controlled and managed by native persons, in an arms-length relationship with native political organizations; the governments have been the principal financiers through accountable contribution funding. Typically, these institutions are the conduit of resources and expertise to individuals, enterprises and communities rather than competing economically with them.

For example, progress in Indian agriculture over the past decade has been forged through a combination of Provincial technical expertise and support, federal financial resources, Indian management and the initiative of individual Indian farmers. SIAP, which has knitted together these components, has contributed to impressive achievements, such as the growth in Indian agricultural production from $1.2 million to $18.0

million annually, and in on-farm assets of clients from $6.5 million to over $35.0 million, and the ten-fold increase in per unit gross incomes which now exceed $38,000 per annum. The experience with agriculture holds important lessons for other sectors, such as forestry, resource harvesting, tourism, minerals, oil and gas, which could provide similar economic benefits if systematically addressed in conjunction with overall provincial policies.

Educational and training institutions have also developed faster and more substantially than elsewhere nationally. The main institutions, the Gabriel Dumont Institute, the Saskatchewan Indian Community College and the Saskatchewan Indian Federated College, have been linked to Provincial systems, providing a combination of direct educational and training programs and certain research and development activities related to native studies and curriculum. Notwithstanding the existing shortcomings in education and skill levels, it is clear that the population of Indian ancestry now enjoys the most significant general educational levels since European settlement. In addition to the higher educational attainment, the deficiency in work skills is now being significantly addressed through Provincial-Federal training activities through which in 1982-83, about 5 per cent of the potential native labour force received training. The quantitative and qualitative progress over the past several years means that natives will be equipped increasingly to play productive roles in the competitive economy.

In the business sector, it is estimated that as many as 1,000 small businesses are now owned by Saskatchewan citizens of Indian ancestry, with about two-thirds belonging to Natives and one-third to Indians. Specific information on the economic performance of these businesses is generally deficient although several general attributes are known. The businesses tend to be very small and are concentrated in the retail, local construction and marginal resource exploitation sectors. The recent Thorne, Stevenson, Kellogg study demonstrated that where they exist, their employment impact for natives is relatively great, in that they tend to hire predominantly native employees. In summary, the small business sector has demonstrated reasonable growth in the recent past. Indeed, the small business groundwork exists to make a significant contribution to native economic development and a meaningful addition to the Provincial economy.

The exemplary successes and substantial progress on important fronts provide indications of the future most fruitful directions for native economic development. The factors which will be critical to success are:

- the existence of local business and financial leaders to own and manage activities;

- the identification of pragmatic enterprise opportunities rooted in, and consistent with, local economic realities, priorities and capacities;

- the definition of clear objectives for activities and equally clear accountability to financial investors;

- the availability of adequate and accessible pools of capital;

- the marshalling of internal and external development expertise to serve as a catalyst;

- the ability to be competitive and self-reliant over an appropriate time horizon; and

- the coordinated and focused support from governments and their specialized agencies.

International development banking experience, drawn from the World Bank and Inter-American Development Bank lending histories, reinforces the centrality of these success factors. This international experience has underlined the project development process as the critical factor to eventual success, since projects are the building blocks of development. Institutions capable of supporting a focused project development and implementation process have been found to be essential in the variety of national and regional situations the Banks address. Finally, Bank experience shows that development approaches can succeed to that extent they are capable of exploiting regional resources and economic advantages to build linkages with the mainstream economy and to the extent that the necessary political and technical decisions related to development can be successfully separated within the development process and structures.

4. Prospects for Native Economic Development

There now exist the critical factors which mean that the next several years can be a period of meaningful economic growth for Saskatchewan citizens of Indian ancrestry. The experience of the last decade has provided both a growing range of successful native activities and a good understanding of the critical management and financial considerations necessary for success. The Saskatchewan economy is entering a period of sustained growth across all major sectors opening up exciting employment and business opportunities. The government is committed to fostering this private sector expansion through focusing resources and programs on key economic sectors in order to smooth discontinuities and eliminate barriers to efficient and competitive business growth. Native people possess a material

potential for development which is markedly superior to their current economic circumstances. The coming together of these many critical factors is unique and opens up the realistic possibility for progress on the difficult issue of native economic development. At the same time, the relatively disadvantaged situation of Natives and Indians requires specific initiatives to realize the potential for growth and expansion. In short, a strong Provincial economy is a necessary, but not sufficient condition to support full native participation.

Provincial policies, incentives and regulatory practices related to land use and resource development are potentially powerful levers to secure the active cooperation of native groups, the private sector and the federal government consistent with Provincial priorities. Forestry, mineral and energy development have particular potential in this regard. Silvicultural development and improved forestry management practices offer excellent prospects for native employment and the granting of licensed access to Provincial Crown lands could meet some of the pressures for increased resource access.

The non-renewable resource sector similarly offers good prospects for creating the linkages between private capital, native initiative and Provincial and federal support that can make serious inroads into underdevelopment. The existing native involvement in the uranium mining industry in Saskatchewan has been a nationally influential success. The recently announced Husky oil upgrader project at Lloydminster will be another instance where private sector commitment and planning can be joined to native initiatives with timely support from governments. Provincial small business expansion incentives and skill training initiatives can be particularly useful tools in meeting this challenge.

The only realistic basis for native economic progress is the forging of more effective linkages between native individuals, businesses and communities and the Provincial economy at the local and district level. Accelerating economic growth combined with government incentives targeted on capital construction, mining, oil and gas, tourism, forestry and agriculture, hold excellent potential for natives, given the close match with their own priorities and activities. The recent survey by Small Business and Tourism which identified a range of required services to communities can be 8used to focus initiatives on the most promising small business opportunities.

Without addressing each sector in detail, it is clear that the Provincial Government is now in a situation in which policy and management initiatives are possible to tailor approaches for natives, within overall Provincial economic priorities, that can lead to sustainable native development within the strong Provincial economy. In the management of this human resource and

economic problem, the Province has significant levers, in addition to money, which can shape the actions of other key actors to enhance the better economic and labour market integration of Native and Indian populations.

Economic decision-makers in all groups will welcome non-intrusive Provincial initiatives as a route out of the current unproductive and wasteful situation and its insidious social consequences for the Provincial economy and native peoples.

5. Existing Provincial and Federal Programs

In theory, Provincial and federal programs of general application are fully open to the participation of native peoples. In reality, with the exception of those instances where specialized structural arrangements have been fashioned (for example, training and agriculture), there is little to indicate that much success has been achieved in moving support to the broad native sector.

Only since the mid-1970's have the senior governments addressed explicitly the problems of prevailing Indian and naative poverty and underdevelopment through the definition of economic development approaches tailored to specific native target groups. Distinctive approaches now exist to small business development, short-term job creation, employment training, sectoral development and general employability measures.

The principal financial resources are expended under either Provincial, Federal or joint Provincial-Federal initiatives. The Province provides economic development funding predominantly through Provincial-Federal programs such as Special ARDA with direct Provincial funding confined to the $2.0 million allotment for an Indian economic program established when funds were withdrawn from the FSIN. Relatively significant federal monies exist which could be levered into closer congruency with Provincial economic priorities. The fact that a number of federal and provincial agencies undertake major economic activities indicates the considerable dimensions of the coordination challenge. Specialized available assistance reaches Indian people much more readily than Natives, attributable inter alia to the greater federal focus on Status Indians.

The growth of discrete program initiatives has created a situation in which a number of federal and provincial-federal programs effectively compete with quite broad mandates for the same genre of project activity. In too many instances, projects are funded by several agencies simultaneously for various parts of the project activity allowing all parties to claim a large leverage capability for their own funds while materially undermining the accountability essential to ensure good business

and development financing decisions. In summary, too often the individually desirable programs have, in combination, created a dispersed and uncoordinated set of initiatives. This has resulted in duplication, gaps and in general, less impressive results in terms of jobs and wealth created than the total available funding should make possible.

The identification of the coordination problem is easier than the prescription of solutions. For the Government there are a number of important dimensions, as follows:

- ensuring that the activities of the principal federal agencies are marshalled together for combined effect, while levering federal monies into sectors and activities viewed to be Provincial priorities;

- ensuring that Provincial agencies through their expertise, programs of general application and more focused initiatives, take a responsive and involved approach to native development issues;

- engaging the attention and proper activitites of urban municipalities to cooperatively address the growing urban native problem;

- challenging and harnessing the business community to respond to native development needs, particularly in facilitating native access to the largest pool of productive jobs that exists; and

- undertaking Provincial actions in such a way that jurisdictional concerns related to Natives and Indians are not prejudiced.

The Government is strongly positioned to undertake major coordinating initiatives. Ironically, this strength derives largely from the relatively modest previous direct Provincial funding which means that even modest increments will have significant visible impacts. Additionally, the broad freedom of action available to the Province, given the absence of "obligations", provides scope for establishing correct Provincial policies. The importance for the Province to establish the broad priorities and framework for Provincial growth and the likelihood of levering significant federal monies argue for the utility of efforts in this regard.

6. Provincial-Federal Jurisdiction: Program Targeting

Within Saskatchewan it is clear that there are considerable numbers of aboriginal people commonly experiencing lower levels of opportunity and accomplishment than for the general population. There are three main groupings within the aboriginal

population - namely, Métis, Non-Status Indians and Status Indians. With some exception made for Status Indian people residing on-reserve, (about two-thirds of the Status Indian group), the data which exists on each group reinforces their common problems. These problems tend to be defined more on the basis of region than racial composition with the urban and rural distinction representing the most significant regional dimension.

It is evident from the analysis presented in previous sections of the paper that the commonly disadvantaged position of most people of Indian ancestry in the Province will require specific policy and program prescriptions if it is to be altered. Potentially fruitful policy prescriptions are most likely to focus on sectoral and regional considerations rather than on the distinct groups within the native population. Targeted regional and sectoral native initiatives must, given Provincial jurisdictional and equitability concerns, make provision for Métis and Non-Status Indian communities and individuals to receive a comparable level of support to that available to Status Indians.

The general jurisdictional issue related to Provincial and Federal powers and policy and fiscal responsibilities, for Status Indians has sizeable fiscal and policy ramifications for the Province. It would be inimical to Provincial interests and vastly unpopular with the Band population to suggest any change to the existing federal responsibilities. The narrower issue which is posed here, however, is the extent to which any Provincial economic development initiative might prejudicially influence the outcome of continuing broad Federal-Provincial and tripartitite negotiations. Compared to the issues associated with government powers, health, community infrastructure, education and social welfare, the area of economic development pales into relative policy and fiscal insignificance, suggesting that other Provincial jurisdictional considerations, such as economic development, regional and resource development and labour market management, may be more important in deciding policy positions.

The beneficial exploitation of the resource base and regional potentialities of the Province lies at the core of Provincial Government responsibilities. Indeed, governments have traditionally prospered or failed based on their capability to create a stable environment conducive to investment and growth. Accordingly, the prerogative to take the essential decisions to shape the growth patterns within the Province has been closely guarded. The Province has also agressively maintained its joint role in labour market policies, given the interrelationship between labour demand and supply. From this perspective, the significant and growing segment of the Saskatchewan labour force of Indian ancestry and the regional and resource development

dimensions of future native growth prospects reinforces the desirability of coherent Provincial policies to ensure that:

- development meshes with Provincial economic priorties;

- the entire labour force is equipped to compete effectively in the labour market; and

- the socio-economic conditions of the whole Provincial population underpin social stability and an environment conducive to growth.

Fulfilling Provincial jurisdictional responsibilities and protecting Provincial jurisdictional interests in the economic development area requires a policy and program framework to ensure that the economic development of people of Indian ancestry occurs consistent with Provincial priorities. Given federal support to Status Indians, an emphasis on financial support to Métis and Non-Status Indians is required to achieve equitability in levels of support. Initiatives should be open to Status Indian participation so long as Indian proposals are in line with Provincial priorities and accountability requirements. This approach holds the most promise for shaping realistic Native and Indian growth aspirations while levering monies into sectoral priorities and policy initiatives consistent with the Government's economic perspectives.

7. Provincial Program Directions and Capabilities

Too often, government programs, approaches and resources intended to promote native economic development have been drawn too literally from conventional urban industrialized growth models. As such, they have been linked only rarely to native conceptions of their own economic development either in design or implementation. Experience over the past decade demonstrates that an alternative approach is required in which native individuals and communities develop adaptive capacities, resolve their own difficulties with appropriate support, and make required adjustments to the realities they face. Certainly one of these continuing realities will be the centrality of the bottom line profitability of economic undertakings if growth in wealth and employment is to occur.

The deeply ingrained, societal dimensions of existing native dependency entails the need for external interventions with resources and technical support. The severely eroded economic and social circumstances across virtually all indicators means that responses will need to be specific and consistent if they are not to be swamped by the prevailing underdevelopment. The varying economic circumstances of urban, rural and northern populations; the diverse real economic opportunities; the range of communities in terms of stage of development; and the

requirement for native direction and management, all argue for a flexible and responsive set of program instruments.

The key program areas of business development, sectoral resource development, employment access and community infrastructure improvement need to be addressed in combination. The framework for program activities needs to be rooted in sensible and resourceful local and regional economic planning, providing a full role to accountable native development institutions.

The government has potent levers to engage the cooperative efforts of all the other actors in the native economic development field. A partial list of these levers would include:

- Provincial ownership of a well-endowed land and resource base with the associated licensing and management powers;

- Provincial-Federal agreements to direct priorities and resources;

- labour market regulatory and accreditation powers;

- technical expertise within an institutional framework which can be harnessed in cooperation with native institutions in agreed priority sectors;

- Provincial purchasing, supply and hiring policies and practices;

- healthy linkages with private sector players; and

- direct expenditure capabilities.

The effective utilization of such levers in a coordinated fashion requires clear strategic vision, steadiness of purpose and the willingness to undertake a more direct role in the native development process. The scope of the available levers indicates they could be utilized in combination with very modest incremental cost but with significant developmental and leverage effects.

8. Native and Indian Development Perspectives

Natives and Indians are experiencing a period of rapid political development with its attendant policy and organizational fluidity and assertiveness. Politically, the Association of Métis and Non-Status Indians of Saskatchewan (AMNSIS) and the Federation of Saskatchewan Indian Nations (FSIN), are the two senior organizations representing their respective groups provincially. Both AMNSIS and the FSIN share an organizational goal of being the centre of Native and Indian governments respectively and tend to define their desired or eventual powers

in all-encompassing terms, the more extreme of which are not be acceptable to responsible senior governments or to the general electorate. Both organizations pursue a mix of political and service delivery objectives which pose continuing issues of role differentiation and program accountability.

Notably, in spite of the centrifugal forces which have caused organizations in other provinces to fracture periodically, the AMNSIS and the FSIN have maintained a remarkable degree of unity and organizational integrity. The relatively strong AMNSIS and FSIN ties to their constitutencies means that they will continue to be the representative agents of the groups in working out broad directions with governments and Canadian society. Given their organizational cohesion and governmental aspirations, both organizations are likely to be critical of Provincial initiatives unless Provincial monies are provided directly to them, within relatively loose accountability constraints. Provincial agreement to such an approach would further blur the line between political representation and service delivery to the detriment of both roles.

Recent indications, however, suggest that there is a general and growing agreement on the need for clear role differentiation in a complex and maturing development process by other actors within the Native and Indian scene. Increasingly, the existing service delivery institutions such as SIAP, and the individual bands and AMNSIS locals have more clearly defined their roles with respect to the Provincial organizations. The central political concern of these groups is that native economic initiatives be directed and managed by natives. While clarity on what precisely this means is frustratingly elusive, this represents a potentially acceptable and tenable position for the Government.

Native service delivery institutions are a permanent and important feature of the native development landscape, but they are not political structures and their support needs to be contingent on their capability to provide required services more effectively than otherwise possible. At this point, a sizeable and broadly-based Native and Indian constituency exists which supports Provincial economic initiatives based on a separation of political and service roles, defined and disciplined accountability systems and an insistence on technically competent direction and management. The Province, while a relatively small financier of institutions to date, is strongly positioned, with regulatory capabilities and the ability to make available required expertise, to have a definitive influence on the course of developments in this area.

III. STRATEGIC APPROACH

1. Summary Considerations

Based on the above analysis , it is possible to derive the following summary considerations having the most influential impact on Government policy determinations related to Native and Indian economic development.

- the Government's fundamental commitment to facilitating economic growth affords an opportunity to extend the benefits of participation in the mainstream economy to Native and Indian populations who have not shared fully in past economic expansion;

- the youthful and growing population of Indian ancestry forms a sizeable (9 per cent) portion of the Saskatchwan labour force, is poorly adjusted to competitive economic activity, and poses a fundamental human resource management challenge and a potential drag on investment and growth;

- the recent Native and Indian development experience has evidenced marked increases in institutional business and human resource capabilities providing promising groundwork and important lessons for future progress;

- Native and Indian development potential is directly linked to overall Provincial economic growth and there is a marked congruency between the principal native opportunity areas and the sectors forecast to do well within the economy and targeted for selective incentives by the Government;

- the Province is well-positioned to play a strong role in ensuring that the requirements within existing Provincial and Federal programs for consistency with broad economic goals, vigorous implementation of professional development decisions and much more effective inter-program coordination are met, while levering federal monies in support of provincial economic priorities;

- the Provincial jurisdictional considerations related to the management of the provincial economy override in importance the traditional Native/Indian jurisdictional concerns. In regard to Native and Indian economic development, Provincial support should be made to both groups consistent with Provincial priorities and the requirement to ensure an equitable funding pattern for Métis and Non-Status Indians;

- the Government possesses unique and important policy and program levers to support the attainment of Provincial and

native objectives in regard to Native and Indian economic development, many of which can be exercised with little or no incremental expenditures; and

- notwithstanding that the AMNSIS and FSIN may be less than favourably inclined to direct Provincial initiatives that do not provide monies under control of their own organizations, a broad development-oriented constituency among Native and Indian entrepreneurs, communities and service delivery organizations would welcome and support visible Provincial initiatives.

2. Strategic Options

The principal alternatives that the Province faces in regard to strategic options is to maintain the status quo, to rely on economic, regional and labour market programs of general application or to fashion a pro-active response. The relative merits of the approaches are discussed below.

Status Quo: Currently, the program direction of the Government is comprised of several principal elements. These might be described in general terms as: generalized economic and small business support programs delivered under the aegis of Federal-Provincial agreements; some direct Provincial organizational funding of regional economic concerns differentiated by target group; a Provincially-funded Band economic development program; Provincial-Federal programs for community infrastructure support again by target group; employment training programs delivered through Provincial and aboriginal institutions; and Provincial-Federal programs for sectoral resource development with and without native targets. Direct job creation is left largely to the federal government, although tough-minded analysis would demonstrate that tendencies exist for other economic programs to engender similar results.

Maintenance of the current situation with respect to Provincial policies for Native and Indian economic development is an unsatisfactory approach for the government. The principal disadvantages of the approach are that:

- there is no strategic direction linking together discrete programs to attain maximum impacts;

- program development and administration is hobbled by largely rhetorical doubts about Provincial involvement in the area;

- Métis and Non-Status Indians receive less than their proportionate share of economic development funding;

- many low-cost levers available to the government, such as resource regulatory powers, are not being utilized;

- current activities cannot be demonstrated to be contributing sufficiently to the resolution of the long-term problems; and

- some tendency exists for federal policies and priorities to take precedence over Provincial, even where the Province has important interests and an arguably better track record.

The principal advantage of the approach is that the Province has managed to create significant individual initiatives in spite of their uncoordinated nature.

Provincial Drawback: An alternative to the above rather unplanned approach which has the Province involved in direct and cost-shared funding of programs for Native and Indian people would be to cease some or all of the special initiatives (possibly, for example, those for Status Indian people), and to place even heavier reliance on the mainstream agencies and programs.

Such an approach would have the result of clarifying a strong Provincial position on total federal responsibility for Indian people, possibly including Métis and Non-Status Indians, while maintaining the integrity of the position that Government programs are equally available to all Saskatchewan citizens. The approach could allow for fine-tuning of existing general programs to meet major native development requirements on an exceptional or planned basis.

A major negative attribute of such an approach is that it would probably mean a reduction in Provincial influence over federal expenditures having direct economic, regional and labour market impacts for a considerable part of Saskatchewan. The political difficulty of terminating direct Indian or Native funding could also be expected to be considerable. Finally, and perhaps most significant, it is difficult to see how this stance could impact favourably on reversing the existing problems given their magnitude and entrenchment.

Pro-Active Stance: The final broad alternative for Provincial action would be to accord higher priority to the economic jurisdictional issues than to the Native and Indian and to build upon the existing broad, multi-faceted direction while seeking incremental impacts through the Government, actively knitting together the initiatives in keeping with Provincial economic objectives and consistent with the principal requirements for effective native economic development programming.

The principal disadvantage of this approach is that it subordinates the historical Provincial position on the Native and Indian jurisdictional issue, (that is, the federal responsibility for Status Indians), although given the reality of program developments in recent years, this is largely the subordination of rhetoric to reality. Other possible disadvantages are the likely requirement for incremental expenditures to rectify some of the existing imbalances and the addition of existing accountabilities to the already streamlined Provincial agencies.

On the positive side, this approach should result in considerably increased leverage in respect of federal expenditures and policy directions. Also, only the Province possesses the range of economic levers necessary to secure the beneficial participation of the native population in the Saskatchewan economy. Given a soundly planned exercise of these levers, the predictable outputs are certainly more substntial than are being achieved currently. Finally, and perhaps most persuasively, this approach holds the potential for getting past the sometimes sterile arguments with native groups and achieving active native participation;, through appropriate, differentiated and accountable roles, in the substantive work required to overcome the unacceptable socio-economic circumstances of this substantial group of the Saskatchewan population.

In view of the most important considerations, the pro-active Provincial stance is recommended.

3. Program Elements

Consistent with the recommended strategic approach, specific program initiatives can be defined to address the priority Provincial objectives. For presentation purposes, these initiatives have been divided into three categories - specifically, initiatives applicable to both Natives and Indians, those specific to Status Indians and those specific to the Métis and Non-Status Indian groups. The initiatives are summarized in Table I, overleaf.

A. Native and Indian Program Elements

The following initiatives are equally relevant for both Native and Indian groups and indeed without direct targeting, past experience suggests that Status Indians will end up with proportionately more of the monies. While it would be undesirable to restrict Status Indian access on any basis other than merit, explicit measures need to be directed toward pro-actively supporting Métis and Non-Status Indian access to the initiatives. In particular, this will mean Provincial support for development costs to put native groups and

individuals on an equivalent footing with Indians who enjoy significant federal support levels.

(i) Major Resource Development

The full integration of natives into the relatively stable and well-paying jobs in the resource extraction sector offers promise both for native development and for the establishment of a stable, indigenous work force with an evident commitment to northern living. The strongest Provincial card in this area is the productive relationship that the Government has fashioned with the private sector, since private sector actions will determine success in this area. Complementary Provincial capabilities in the areas of labour regulation, employment-related training and resource extraction licensing need to be combined with Federal inititiatives to create incentives for the private sector to undertake this challenge.

(ii) Small Enterprise Development

As well illustrated in the recent Thorne, Stevenson, Kellogg study, support for the development of viable native small businesses offers the promise of harnessing the creativity and energy of those native people with the greatest personal initiative, of providing a larger pool of jobs for native employees in the productive economy, of improving the level of services in the communities and of creating attractive role models for native youth. The Province could act to meet critical deficiencies in the managerial and technical capacities of the Native and Indian small business sector by working closely with native business development institutions to improve native business access to managerial and technical advice and support that Provincial agencies have available.

(iii) Employment Training

Employment training for adults has become a major thrust in developing Native and Indian human resources, offering concrete encouragement to more active and fulfilling labour market participation. Three priorities exist for the Government in this area.

Firstly, a major evaluation should be undertaken with the federal government of the effectiveness of existing training for natives, to examine such issues as comparative non-completion rates for natives and non-natives, the relationship between training location and job access, the relative effectivenss of institutional as compared to on-the-job training, the increase in employment success attributable to training, the types of training provided in relation to skill levels and eventual job categories and the employment success of trainees from native as compared to Provincial institutions.

Secondly, a Native and Indian training plan should be developed annually, based on input from line Provincial agencies which would seek to relate future native training to the priority Provincial growth sectors where additional employment opportunities will exist. This is not intended to directly train Provincial employees, but rather would seek to draw upon the specialized knowlege of Provincial agencies and Crown Corporations to identify training requirements and opportunities in order to better focus the large volume of training occurring.

Thirdly, the policy and scope of native training institutions needs to be agreed with the federal government in terms of interrelationships with the existing Provincial training establishment and continuing fiscal responsibilities

Ultimately, resolutions on these central issues will require consultations among the relevant Provincial institutions, native training interests and the private sector in addition to direct provincial-federal negotiations.

TABLE I

INDIAN AND NATIVE ECONOMIC DEVELOPMENT INITIATIVES

A. NATIVE AND INDIAN

(i) Major Resource Development
- employment access and training
- service sector development
- community infrastructure

(ii) Small Enterprise Development
- native management and technical support service programs
  - Ministry of Small Business and Tourism
  - native development corporations

(iii) Employment Training
- evaluation of existing programs
- annual training plans related to priority growth areas
- federal-provincial agreement on scope and funding of native training institutions

(iv) Urban Natives and Indians
- employment access to retail, banking and commercial sectors
- urban native enterprise development corporations

(v) Information Development
- development of systems for the colection, analysis and presentation of information regarding Indian and Native populations

(vi) Public Affairs Program
- promotion of Indian and Native success stories

B. STATUS INDIAN

(i) Band Economic Development Fund
- support for priority economic sectors
- native development institution support
- support to Indian district structures

(ii) Resource Sector Support
- institutional development in tourism, forestry and wildlife harvesting
- fee-for-service professional and technical advice
- regulatory and licensing support

C. METIS AND Non-Status INDIAN

(i) Sectoral Resource Development

TABLE I (continued)

- planned and selective licensed access
- technical and professional support
- coordinated funding and management support

(ii) Physical and Infrastructure Development
- community housing and service infrastructure
- economic infrastructure development

(iii) Small Business Development
- coordinated and balanced funding support
- native economic development foundation
- project identification and development support
- ongoing technical, professional and managerial support

(iv) Urban Natives and Indians

As perhaps the largest and certainly the most unattended aspect of the general native economic participation issue the urban native situation is a particularly important area for the Province, warranting several major initiatives.

Major, multi-partite initiatives should be undertaken to draw together and focus the actions of private enterprise, municipalities, Chambers of Commerce, native groups and federal agencies. This could be a high profile initiative challenging people to work together to overcome evident barriers and problems. Notwithstanding the generalized characteristics of the problem, these are fundamentally local problems with local solutions. Accordingly, municipalities and industry should be seen to take the lead role in problem resolution with suitable Government support of local initiatives.

The relative underrepresentation of natives in the visible employment sectors, particularly retail, banking and commercial positions reinforces problems of social and labour market adjustment. The Thorne, Stevenson Kellogg study identified th4 success of the Cooperators Insurance Company in developing a targeted hiring and employee support program for native employees over the past several years. Voluntary agreements with major private sector employers to focus replacement and expansion hiring and the range of private sector and government support programs could become a significant contributor to native labour market integration. The establishment of an industry group of companies to share experiences and advise the government could be a useful and visible focus for these efforts allowing business to play the lead role and ensuring actions are consistent with market exigencies.

Urban enterprise development has proven to be an attractive solution to many problems of urban minority adaptation in the American context. In Saskatchewan companies such as the Regina-based Native Metal Industries involved in the reduction of scrap railway rolling stock have underlined the strengths of this approach. Existing specialized government initiatives in this area are almost non-existent with most native enterprise development focused in rural situations given the general criteria of programs such as Special ARDA and the Federal Indian Affairs economic program.

In order to provide the locally focused, professional and technical support necessary for urban native small business expansion, the Province could promote the establishment of native enterprise development corporations in the major urban centres. If the corporations are properly structured and maintain a focus on the viability of the enterprises they support, the private sector can be expected to become an investor as well, based on the American experience.

(v) Information Development

The capture and analysis of baseline and performance information is critical to economic development policy-making and resourcing. Governments and the private sector accept this basic truth as is evident by the number of specialized agencies and institutions in place to carry out this function in respect to industry, commerce and the overall economy. Control of the best information is generally a definitive consideration in influencing and shaping perceptions and directions over time. From almost all points of view, the Saskatchewan native population is an unknown except at the levels of broadest generality. Accordingly, the Province might take action either directly or indirectly to ensure the establishment and maintenance of required information. This could be done either centrally or in a dispersed fashion, but needs to be undertaken so as to provide a continuing flow of total system information in order to allow for informed strategic judgements and operational decision-making on the part of all the actors. Work in this area could be closely linked to possible enumeration of Métis and Non-Status Indian populations.

(vi) Public Affairs Program

Much of the existing public perception of native peoples is based on lack of information and misunderstanding. The successes created by natives to date are not well known, contributing to a pervading pessimism as to chances for a reversal in the existing situation. The Province could play a large role in creating more supportive public attitudes both by publicizing the initiatives that are being taken and by ensuring the various publics, native and non-native, are becoming aware of the successes that are being created.

B. Status Indian Program Elements

The principal responsibility for specific Status Indian initiatives will continue to reside with the federal government. Within this context it is in the Provincial interest to undertake several initiatives to endeavour to better focus available resources consistent with Provincial economic priorities.

(i) Band Economic Development Fund

The monies that were made available as a result of the redirection of Provincial funding from the FSIN to Band level development should be retained and crisply focused. Rather than becoming just another source of general economic support monies, Provincial resources should be more closely targeted to priority economic sectors, such as tourism, northern agriculture,

forestry, etc. Sectorally-oriented funds could be particularly useful for concrete economic opportunity identification and resulting enterprise development.

Rather than developing a program delivery structure to respond to individual projects and enterprises separate from existing Provincial small business supports, monies should be made available to native institutions to undertake activities consistent with Provincial policies. Such funding, even if modest, could be decisive in securing essential role differentiation and operating practices from institutions interested in expanding their activity base. Support should also be targeted on the economic activities of district Indian structures which would reinforce the linkage to important sub-regional sectors.

(ii) Resource Sector Support

Sectorally targeted development initiatives have generated success where support has been available on a consistent and planned basis. The activities of the Saskatchewan Indian Agriculture Program (SIAP) and the involvement of Provincial agricultural experts therein is an outstanding example that could be applied usefully to other areas. The Province should therefore make active provisions for extending the agricultural development approach to tourism, forestry, fishing, northern agriculture and wildlife harvesting. This could be accomplished by developing linkages between Provincial sectoral agencies and native groups and tying technical support to substantial and realistic sectoral development.

In addition to the direct assistance, this will provide to native groups, the provision of Provincial technical and professional advice, even on a fee-for-service basis will secure increased leverage over federal funds available from both Indian Affairs and the Native Economic Development Program. When linked with the Provincial ability to create preferntial development incentives through regulatory action and resource management licensing, the Province can have significant influence over federal expenditure and investment planning.

C. Métis and Non-Status Indian Program Elements

There are a number of specific initiatives which the Government should undertake related to Métis and Non-Status Indian people. The general Native and Indian measures outlined above will be expected to create visibly increased Métis and Non-Status economic participation. The initiatives described below are intended to be incremental and to address basically the issue of ensuring equivalent opportunity for access to resources and support as that which Status Indian people receive.

(i) Sectoral Resource Access

The Province has a particularly central role in this area. Indeed, no progress is conceivable without Government involvement and direction. The Province owns a large portion of the relevant land base, establishes the regulations pertaining to most resource areas, has sectoral Ministries possessing the state of the art expertise required and enters into provincial-federal and multi-lateral agreements such as those related respectively to forestry and caribou management. Without increased renewable resource access, most rural and northern Métis and Non-Status Indian people can be forecast to continue to experience poverty and dependency, strengthening their claim to be the victims of history.

Selective, licensed access to avilable renewable resource opportunities in Provincial priority sectors would represent a major Government initiative in bringing Métis and Non-Status Indians into the economic mainstream.

To make such an initiative operational, a number of steps would be required, as follows:

- identification of resource sector opportunities in proximity to native populations;
- assembling the required technical and professional advice and support required for resource development;
- ensuring that the necessary local project development work is undertaken to match local capabilities with the requirements of effective resource management; and
- negotiating the coordinated federal support to match Provincial commitment and priority.

Such an initiative is particularly well-suited to serve as a lever on federal monies and ensure their expenditure consistent with Provincial economic growth intentions.

(ii) Physical Infrastructure Development

Métis and Non-Status Indian communities possess lower than normal levels of community infrastructure, both acting as a work disincentive and as a constraint to potential resource development involvement. On the social infrastructure side, substandard housing and the lack of basic amentities not only pose health hazards but also represent socially destructive tendencies that are barriers to exploitation of economic opportunity. In economic terms, inadequate electrification and formidable transportation deficiencies pose barriers to almost all forms of productive economic activity.

To address this issue the Province should participate in underwriting a significant infrastructure development program for northern natives. Unlike much past expenditure, this should on attaching priority to opportunity development rather than to consideration of need.Monies should be focused on comunities where the infrastructure will result in the most immediate wealth-creating and employment accessibility gains. On the economic side, roads to resources, small-scale hydro development and tourism infrastructure all represent opportunity areas. In general, social and economic infrastructure expenditures should be tied to the planned initiatives related to participation in major resource development and renewable resource development and should be judged on their investment merits and support for individual and community initiative..

(iii) Small Business Development

Two specific Provincial initiatives are indicated related to this critical area. In the first instance, the Province must act to achieve a more balanced and proportional funding of Native and Indian groups, which alone would augment markedly the monies directly available for supporting native entrepreneurs. The second and related initiative is to negotiate the funding of the Native Economic Development Foundation, based on the principles of accountability and arms-length separation from political control, as the principal specialized vehicle for economic project development in the Métis and Non-Status Indian communities. Accountable contribution funds should be made available for opportunity identification, entrepreneurial training and project development purposes, but the actual project funding should continue to be found in a combination from existing government sources, native financial institutions and the private banking system.

In order to accomplish this latter initiative, negotiations will be necessary with the Foundation and the federal government as the likely other principal financier. Ultimate agreement on an operational framework and respective roles and responsibilities will only be attained based on a frank recofgnition of the close interrelationship of the AMNSIS development objectives and the creation of the NED Foundation. The potential to enshrine an agreement in provincial legislation is likely to be attractive to the AMNSIS and native communities.

4. Delivery Considerations

The implementation of the program elements outlined in the previous section will require the cooperation of federal, provincial and municipal governments as well as private sector businesses and agencies and, of course, Indian and Native organizations, communities and individuals. The key mechanisms

through which cooperation and implementation can be achieved are the general governmental agreements which are set out below, combined with the operational and delivery capabilities of the Government. Table IV provides an outline of the mechanisms and responsibilities according to program element.

(i). Economic and Regional Development Agreement (ERDA)

The Federal-Provincial Economic and Regional Development Agreement could be a useful tool in focusing federal initiatives and Federal-Provincial funding in a number of areas relaated to increased access and participation by native people in the Provincial economy. In particular, the northern and urban sub-agreements are appropriate to Indian and Native economic development as are specific agreements such as tourism. The key objectives to be sought under these agreements are as follows:

Northern Sub-Agreement

- Federal financial support to match Provincial commitments to provide sectoral resource access to Métis and Non-Status Indians through the identification, technical support and appropriate project development work in regard to resource opportunities.

- Federal participation in underwriting a significant infrastructure development program for northern natives basing priorities on opportunity development and focusing monies on communities where the infrastructure will result in the most immediate wealth creation and employment accessibility gains.

Urban Sub-Agreement

- To coordinate Provincial and Federal resources in overcoming evident barriers and problems to Indian and Native access to visible employment sectors in the urban environment meshed closely with local municipal, native and private sector initiatives.

- To provide support to urban enterprise development through the creation of specialized government initiatives similar to Special ARDA and the Indian Affairs Program in rural areas.

(ii) Special ARDA

The present provincial-federal Agreement covering this program is due for extension and negotiations for a renewal need to address several priority issues. Spcifically, the Province should seek to ensure that:

TABLE II

OPTIONAL INDIAN AND NATIVE ECONOMIC DEVELOPMENT
PROGRAM ELEMENTS AND MECHANISMS/RESPONSIBILITIES

PROGRAM ELEMENT	PROGRAM MECHANISMS/ RESPONSIBLITIES
A. Indian & Native	
(i) major resource development	. Special ARDA, ERDA, Northern Sub-Agreement,
(ii) small enterprise development	. Small business and Tourism, Indian institutions
(iii) employment training development	. Saskatchewan Canada Training Agreement
(iv) urban Natives and Indians	. ERDA, Urban Sub-Agreement, municipalities, local organizations and agencies
(v) management information development	. INAS management responsibility
(vi) public affairs	. coordination by Indian and Native Affairs Secretariat (INAS)
B. Status Indian	
(i) Band economic development Fund	.INAS funding to bands and local districts
(ii) resource sector support	. INAS coordination of Provincial sectoral agencies
C. Métis & Non-Status Indian	
(i) sectoral resource development	. ERDA,Northern sub-agreement, NEDP, INAS coordination of Provincial sectoral agencies
(ii) physical infrastructure development	. ERDA, Northern Sub-Agreement, Provincial community capital funds training program
(iii) small business development	. NEDP, INAS funding

- funding and technical support for rural and northern small business development become more rigorous and disciplined in keeping with the demands of a competitive economy;

- funding and technical support be more tightly focused on providing assistance to existing and potential small businesses servicing major resource project developments; and

- a more balanced funding of Native and Indian small businesses be attained providing appropriate levels of support to all native entrepreneurs.

(iii) Saskatchewan-Canada Training Agreement

The present provincial-federal training Agreement expires in the near future and the negotiation of the new Agreement can offer a useful avenue to pursue several objectives and activities in relation to native peoples' training needs. In order to underpin these negotiations, it would be useful to undertake a significant evaluation of present efforts to determine the effectiveness of existing training, either provincially or jointly with the Federal Government. Even if specific training content adjustments await the completion of the evaluation, negotiations should address:

- the mechanisms for future adjustments;

- the issue of the scope and roles of native training institutions in relation to the existing Provincial training establishment; and

- the basic matter of continuing federal fiscal responsibilities

(iv) Native Economic Development Program (NEDP)

The Native Economic Development Program is an agency of the Federal Government within the Department of Regional Industrial Expansion and has authority to fund enterprises and community development. It has recently adopted priorities which place considerable emphasis on the funding of native-controlled institutions. This is consistent with the preferred Provincial approach. The Indian and Native Affairs Sectretariat should work with the NEDP to ensure consideration of and support to Government strategic priorities. In particular, the Province should seek:

- to ensure that a significant proportion of funding for Indian and Native enterprise development corporations, established in urban areas is provided by the NEDP;

- To negotiate the funding of the Native Economic Development Foundation and agree on an operational framework and respective roles and responsibilities; and

- to obtain commitments to continued required funding of institutions the Federal government is instrumental in creating through the provisio;n of initial funding.

B. Operational Responsibilities

If the initiatives described above are to be successfully implemented, major operational implications exist for the Indian and Native Secretariat, various line Provincial ministries, native institutions and federal agencies.

(i) Native and Indian Institutions

Indian and Native development institutions will be the key instruments in fostering and supporting local development. The Province would support existing and new institutions by providing technical assistance and funding for institutional activities consistent with Provincial economic priorities. Such Provincial support would be subject to the separation from political control and appropriate accountability. This might take the form of agreements with principal financers which would address the definition of purposes and objectives in measurable terms, operational priorities and goals, appropriate effectiveness indicators, provisions for records maintenance, independent evaluations and annual audits.

(ii) Indian and Native Secretariat

The major roles required in the above approach can be summarized as follows:

- strategic direction;
- overall coordination of the major actors, specifically, Provincial agencies, native groups, the private sector and municipalities;
- management of modest direct funding to Native and Indian institutions, and
- monitoring progress on discrete initiatives and reporting to the Minister on progress achieved.

(iii) Provincial Ministries

Line ministries would retain a clear mandate for dealing with this issue both through their programs of general application and through the specialized initiatives approved by Cabinet. This mandate would be clarified through specific policy

directions and could be made more rigorous by the institution of mutually agreed performance reporting to the Secretariat.

(iv) Federal Agencies

While the proposed Provincial initiatives do not generally require federal support, such support can be influential to their success and also needs to be accomplished in order to have full leverage effects on federal monies. The principal tool for accomplishing federal agreement and cooperation is the range of Provincial-Federal agreements that are currently being, or will soon be, negotiated. The specific negotiation objectives pertient to the various approved initiatives need to be defined by the Secretariat and communicated at the Ministerial level to the Provincial Ministry with lead negotiation responsibilities. In addition to this formal tool, the Secretariat needs to undertake direct negotiations with both the federal Native Economic Development Program and the Federal Department of Indian and Northern Affairs to ensure the maximum meshing of initatiatives.

IV. CONCLUSIONS

The above analysis supports an optimistic view of Native and Indian economic development potential based on increasing local capabilities, close matching of stated Provincial and native development priorities and the ability of the Provincial Government to undertake a more pro-active role in support of a more coordinated and rigorous response to native development aspirations.

The significant proportion of citizens of Indian ancestry within the Provincial population, the present unacceptable economic and social conditions of natives and the growing problems of social alienation with their attendant economic repercussions argue commonly for the desirability of the Government utilizing available economic, program and expenditure levers to secure fuller native participation in the strong and growing provincial economy.

DEMOGRAPHIC, ECONOMIC AND SOCIAL CHARACTERISTICS OF THE SASKATCHEWAN INDIAN AND NATIVE POPULATIONS

A.1. Population

As noted in the body of the report, there are different estimates of the total native population of Saskatchewan. The 1981 census recorded 37,470 Status Indians, 4,150 non-Status Indians and 17,450 Métis for a total of 49,065, or 6.1 per cent of the total Saskatchewan population.

However, other studies have arrived at far higher estimates of the population. The Indian Registry of the Department of Indian and Northern Affairs (DIAND) lists 49,373 Status Indians in Saskatchewan and is undoubtedly a much more reliable figure. This would indicate that the census missed approximately one quarter of the Status Indian population.

The error may have resulted from a number of factors. The census is traditionally about 3 per cent low on its counts in rural areas, where much of the native population live. Secondly, no data is collected on the ethnicity of institutionalized populations, so all natives would automatically have been missed. Thirdly, some natives may have identified themselves as belonging to a non-native ethnic group (i.e., Canadian) and therefore not counted as natives in the census. This is demonstrably the case with many children, for example, who were not identified in the census as native even though their parents were.

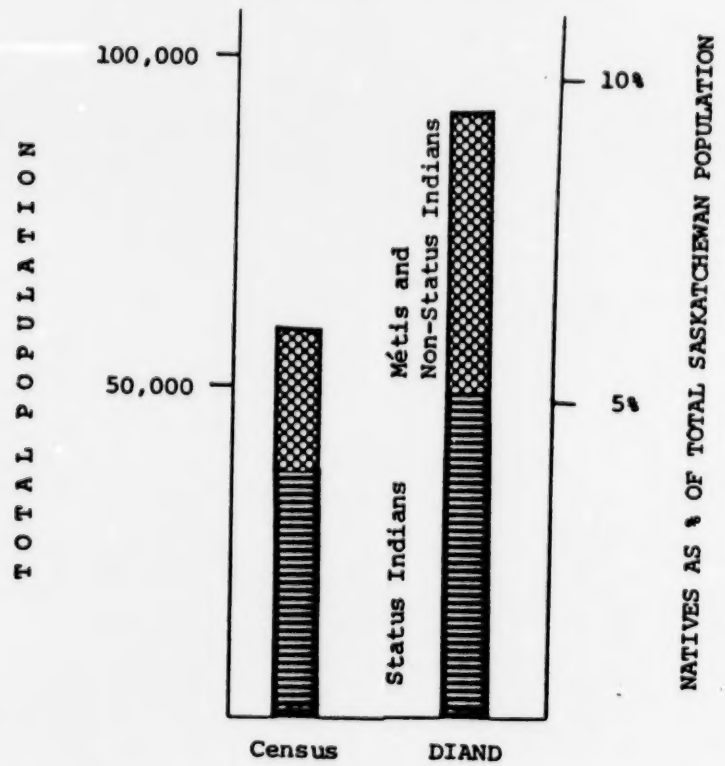
All of these factors could also have contributed to an undercounting of the Métis and non-Status Indian population as well. The most significant problem, the self-identification of census respondents as native, may have been an even larger problem for the Métis and non-Status Indian population. In fact, other studies have estimated Métis and non-Status Indian populations much higher than the census. A 1979 DIAND study estimated that the population would be 42,252 in 1981, compared to the 21,600 counted by the census. Using both DIAND estimates, the total native population would represent 9.5 per cent of the Saskatchewan population.

The census does, however, provide the best available data on the characteristics of the native population, and its figures are used for the remainder of this Appendix.

APPENDIX A

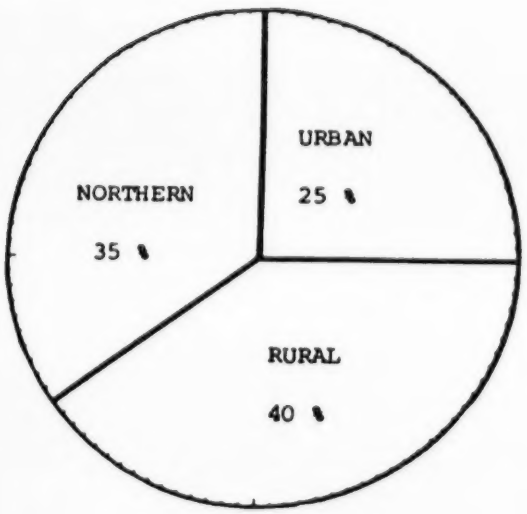
CHART A.1

SASKATCHEWAN NATIVE POPULATION - 1981



A.2 Geographic Distribution of the Native Population

Although the urban native population has been expanding, the large majority of natives continue to live in rural and northern locations. Twenty one per cent of Status Indians and 30.5 per cent of Métis and non-Status Indians live in the north, compared with only one per cent of the non-native population. Only 19 per cent of Status Indians and 26.5 per cent of Métis and non-Status Indians live in urban areas, compared with 36 per cent of non-natives. These figures likely understate the differences in real terms as even within the rural areas, natives tend to be concentrated in the northern parts of the rural area and the census undercounting of natives is most severe in the rural and northern areas.



While natives may make up as much as 9.5 per cent of the Saskatchewan population, they make up 65.8 per cent of the population in the north, and only 4.7 per cent of the urban and rural populations. The north makes up approximately 44 per cent of Saskatchewan's land mass, and while it contains only 2.6 per cent of the total population, the large majority of that population is native.

CHART A.2.1

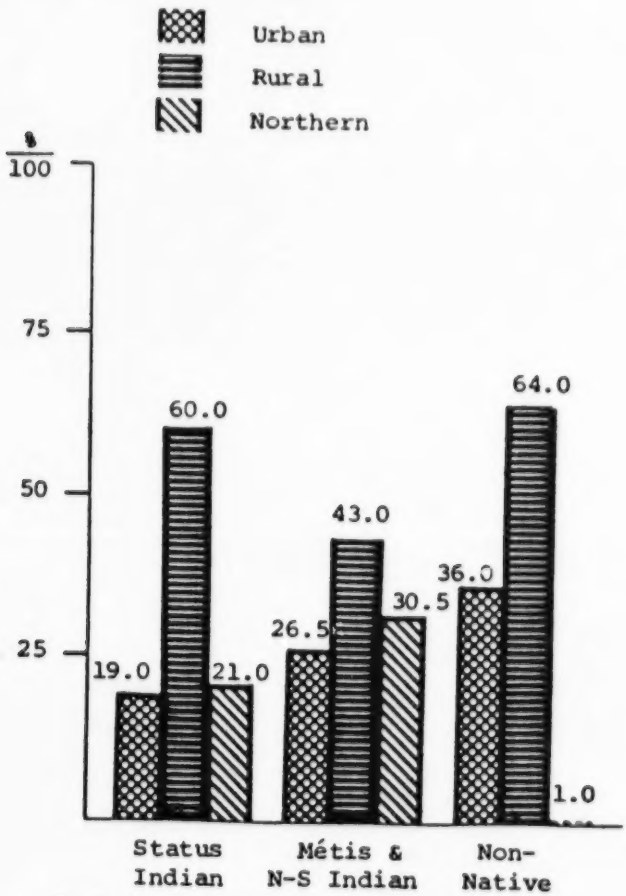
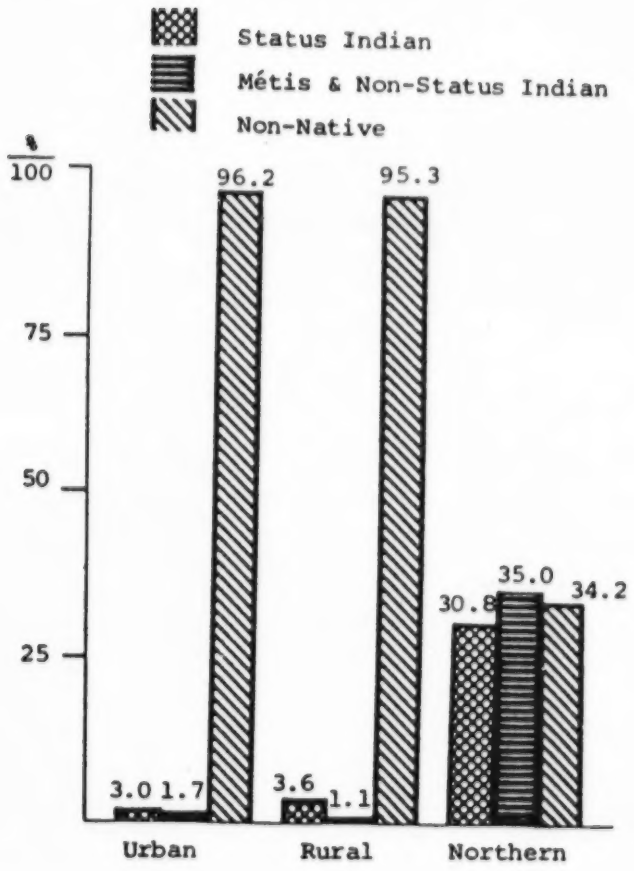


CHART A.2.2



A.3 Age Structure

Chart A.3 illustrates the continuing differences between the age structure of the native population of Saskatchewan and that of non-natives. More than twice as large a percentage of the native populations are children under 15 years of age, while more than twice as large a percentage of the non-native population is over 44 years old.

The drastically younger native population is a result of both a higher native birth rate in the last twenty years and a lower life expectancy on the part of Natives.

This factor has important economic implications. In looking at just the normal working age population 15-64 years old, fully 43 per cent of Natives are between 15 and 24 years old - the age group with the least work experience, highest unemployment rate and the greatest need for employment-related skills and training. This compares with

only 30 per cent of the non-native labour force in the 15-24 age group.

Secondly, over the next 10 years as the youth "bulge" in the Native population enters the labour force, natives may make up as much as 20 per cent of labour force growth - a large enough group to produce either a positive or negative impact on the growth of the provincial economy.

Thirdly, with the large number of native children, working age natives are far more likely to have dependents, and require such services as child care to participate successfully in the labour force. The higher dependent to worker ratio also serves to reduce per capita earned incomes even for natives with employment.

A.4 Labour Force Activity

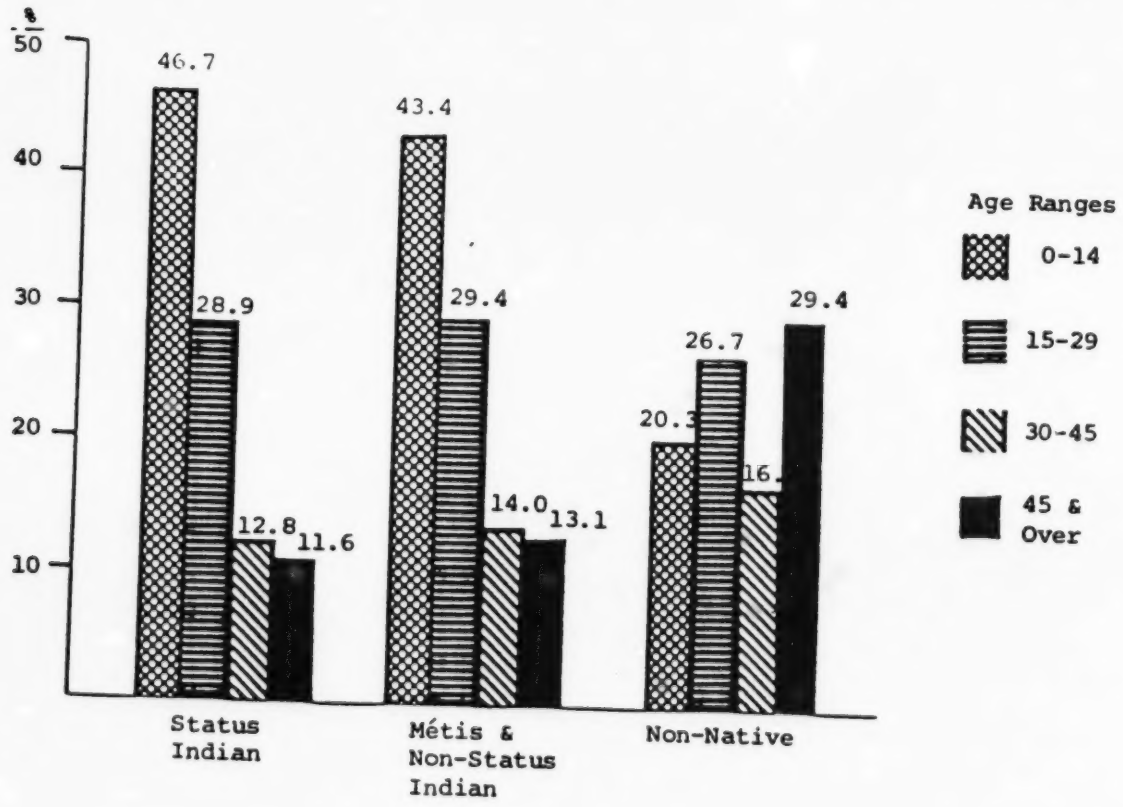
A much smaller percentage of working age (15 and over) natives than non-natives participate in the labour force. As shown on Chart A.4.1, of those who do attempt to participate in the labour force, roughly four times as many are unemployed. The result is that only 32.1 per cent of adult Status Indians are employed, and only 41.2 per cent of adult Métis and Non-Status Indians are employed, compared with 60.5 per cent of non-native adults, this despite the fact that a far higher percentage of adult non-natives than natives are beyond the normal retirement age.

Labour force participation rates are higher for all groups in the cities, but at 42.3 per cent for Status Indian and 55.1 per cent for Métis and Non-Status Indians, they remain much below the 69.5 per cent for non-natives. Further, the

APPENDIX A

CHART A.3

AGE STRUCTURE OF THE STATUS INDIAN, METIS AND NON-STATUS INDIANS, AND NON-NATIVE POPULATIONS OF SASKATCHEWAN

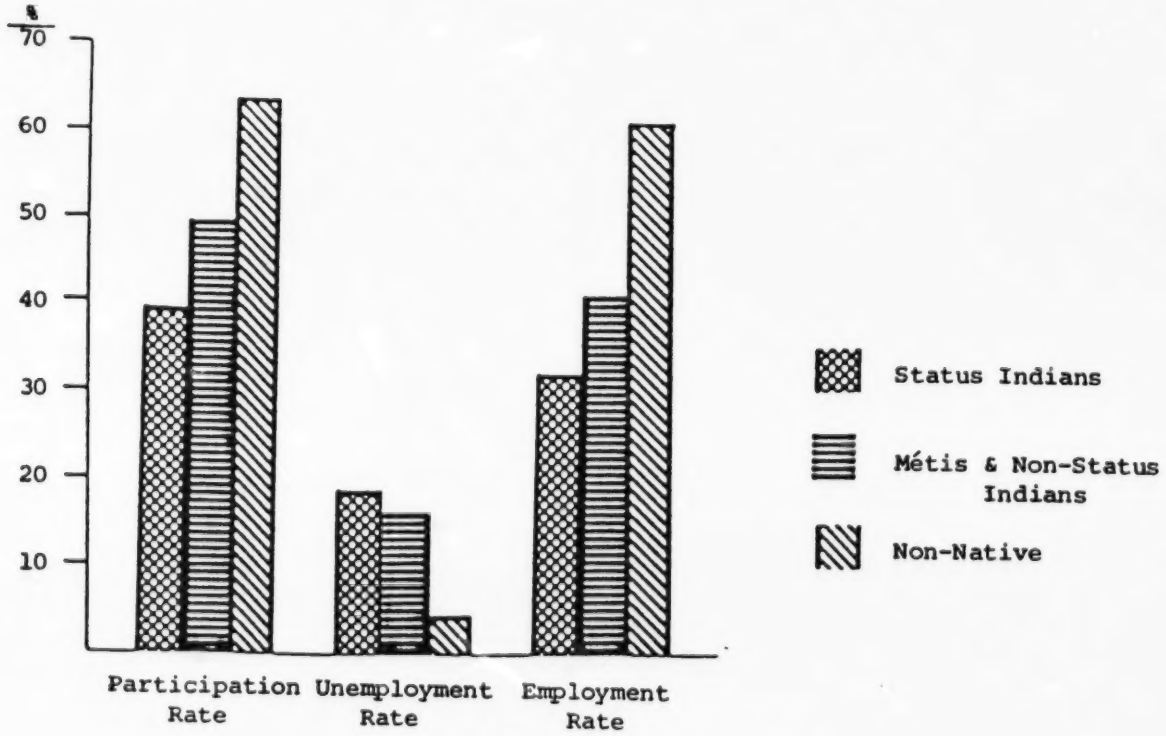


unemployment rate is also higher in the cities, at 27.5 per cent for Status Indians, 24.8 per cent for Non-Status Indians and only 5.8 per cent for non-natives.

Youth usually have a higher unemployment rate than the general population, a factor that is particularly important given the predominance of youth in the native labour force. Among the labour force participants 15-24, 27.2 per cent of Natives are unemployed, compared to 7.6 per cent of non-natives.

CHART A.4.1

PARTICIPATION AND UNEMPLOYMENT RATES AMONG STATUS INDIANS METIS AND NON-STATUS INDIANS AND THE GENERAL POPULATION



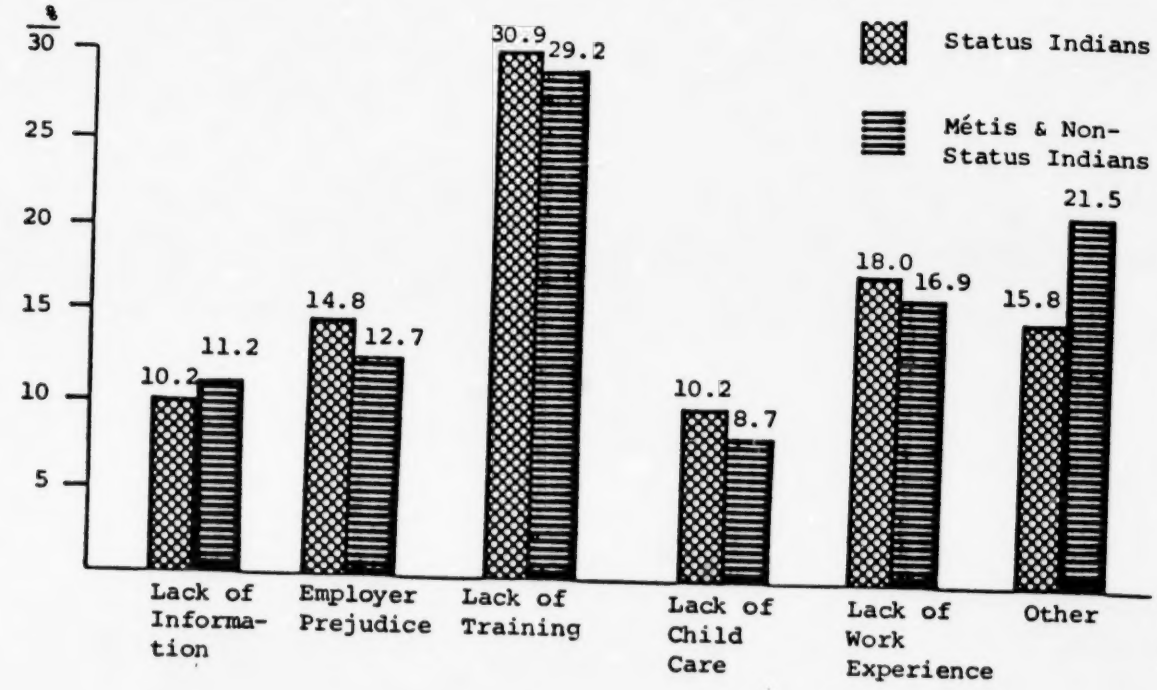
The University of Winnipeg's Institute of Urban Studies did an intensive review of the characteristics of the urban native population which provides some important insights. Natives were most likely to cite inadequate training, lack of work experience and racial prejudice as the main reasons for being unemployed.

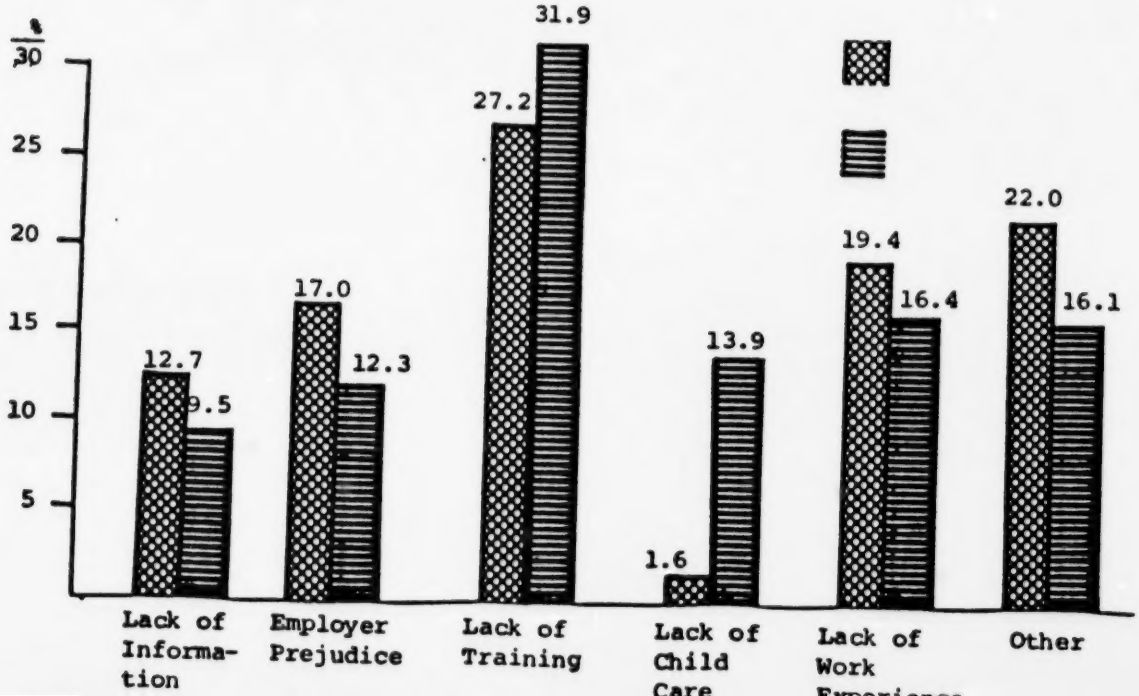
Inadequate training as a basic problem is highlighted in the educational attainment of natives, and lack of work experience as a major factor reflects both the youth of the native labour force and the traditional low participation rates. Although the study found a relatively high native use of training courses, few natives are receiving on-the-job training which would respond to the lack of both training and job experience.

APPENDIX A

CHART A.4.2

MOST SIGNIFICANT BARRIERS TO EMPLOYMENT AS PERCEIVED BY NATIVES





Natives continue to view prejudice as a major barrier to employment opportunities. Seventeen per cent of native women in Saskatchewan and 13.9 per cent overall cited lack of child care as the major barrier to employment. This does not come as a surprise, as roughly one-third of native women are single parents. Women constitute 58 per cent of the urban native working age population, and single parent families 48 per cent of all native households with children, so this factor becomes particularly important.

A.5 Education

As noted earlier, the lack of education and job training are major barriers to native employment. Native educational attainment levels are significantly lower than those of non-natives.

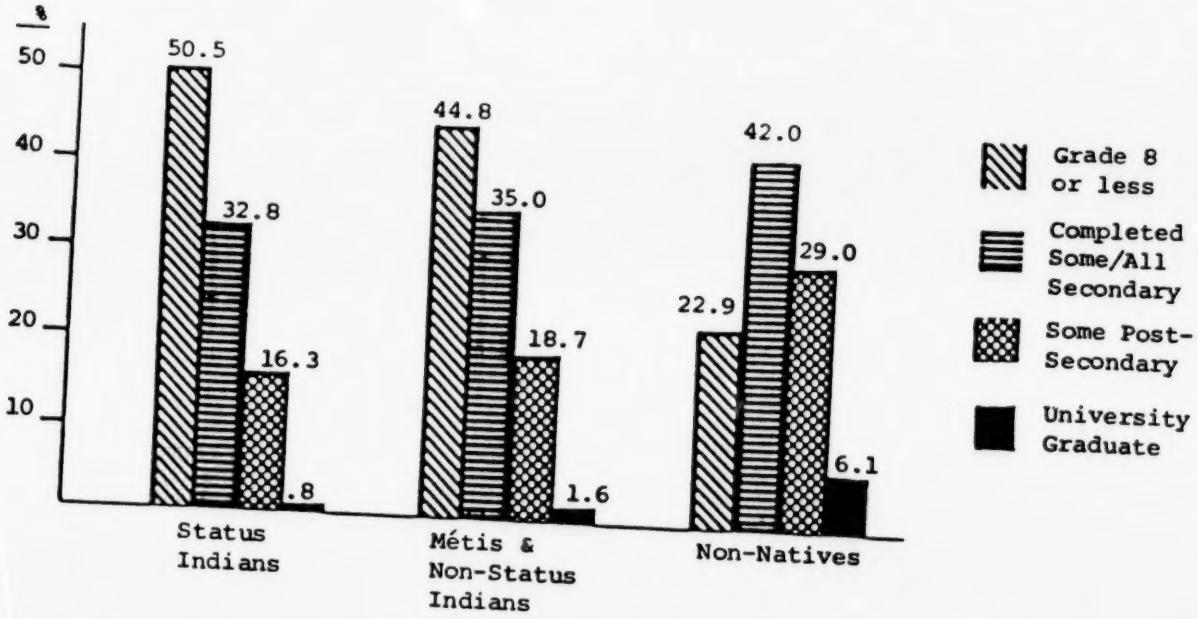
Chart A.5 shows that more than 50 per cent of Status Indians and 44.8 per cent of Métis and Non-Status Indians have not progressed beyond elementary school. Non-natives are four times as likely as Métis and Non-Status Indians to have a university degree, and eight times as likely as Status Indians.

The large group of younger natives are better educated than their elders, but still far below non-natives of a comparable age with whom they must compete for employment. Among the 20-24 age group, 33.3 per cent of Status Indians and 28.5 per cent of Métis and Non-Status Indians still have no secondary school education compared with only 5.7 per cent of non-natives. Although Métis and Non-Status Indians are approaching the non-native rate (24.8 per cent) for non-university post secondary school attainment, Status Indians are still at half this rate (13.4 per cent). At the university level, 20.1 per cent of non-natives have some university education, whereas only 6.8 per cent of Status Indians and 7.3 per cent of Métis and Non-Status Indians have any exposure to a university education.

APPENDIX A

CHART A.5

EDUCATIONAL ATTAINMENT LEVELS OF SASKATCHEWAN STATUS INDIANS, METIS AND NON-STATUS INDIANS AND NON-NATIVES



A.6 Economic and Employment Patterns

Native employment patterns are significantly different than those of the Saskatchewan population as a whole. Métis and Non-Status Indians tend to participate heavily in forestry, fishing, trappping and construction. They are also employed in significant numbers in public administration, while being under-represented in commerce, trade, transportation, communications and agriculture. Status Indians are employed to a significant extent in agriculture primarily in the south. They are also involved in forestry, trapping, construction, retail services and public administration. They are less involved in manufcturing, fishing and financial services. The employment patterns tend to reflect the economic sectors in which the Native populations are involved, namely the resource sectors, construction and public administration, with Status Indians also heavily involved in agriculture and retail businesses.

The urban native population is highly concentrated in the sales, service and clerical occupations. The Institute of Urban Studies survey also found that within each of the industries in which natives were employed, they tended to be in the lowest paying, lowest skill jobs.

A.7 Income

Of those Natives 15 years old and over with an income, 39.6 per cent reported that government transfer payments represented their prime source of income compared with 16.4 per cent for the non-native populations. The average income of employed natives in 1981 was $9,005, compared with $14,512 for the non-native population. Those supported by transfer payments had an average income of $4,024, whereas for non-natives it was $4,703.

A.8 Social Conditions

Living conditions for Saskatchewan natives differ markedly from those of other Saskatchewan residents. As an example, the Status Indian mortality rate in the late 1970's was 44 per 1,000, more than three times the average Canadian rate. Indians were three and a half times more likely to die from accidents, poisonings and violence, and almost nine times as likely to die from tuberculosis, a rough measure of living conditions. DIAND estimated that 37 per cent of Indian homes on reserves were inadaquate in 1977, and 39 per cent overcrowded. Less than 10 per cent had sewage disposal or indoor plumbing and less than 15 per cent had running water.

Although some improvement has been achieved in the period since 1977, these figures show the clear disparity between conditions experienced by rural and northern natives and those experienced by other Canadians. Moreover, in virtually all categories, Saskatchewan natives fare comparatively worse than natives in other provinces.

Alcoholism remains a serious health problem among Indians. A 1970-75 Saskatchewan study estimated that alcohol-related hospital admissions among off-reserve Indians was five times the national rate and that the on-reserve rate was two to three times higher.

National figures show as many as 40 per cent of Indian births occurring outside marriage, as compared to about ;9 per cent for the Canadian population, a tendency which shows up in the high proportion of single parent native families.

Only 15 per cent of reserves have adequate fire protection, a fact which, combined with poor housing conditions and

overcrowding, leads to fire-related deaths being seven times the national average.

Natives continue to have difficulty with law enforcement. A 1977 study indicated that Indians were seven times as likely to be in penitentiaries (nationally). A 1971 study showed Natives made up less than five per cent of the Saskatchewan population, but 25 per cent of federal penitentiary inmates and 53 per cent of provincial penitentiary inmates.

A.9 Resource Base

Status Indians in Saskatchewan have a land base of approximately 566,000 hectares which is second only to that of Alberta Indians in land per capita. Almost one half of this land does have some agricultural potential and much of it has animal or waterfowl potential. A small but significant portion of reserve land (about three per cent) has recreational and tourism potential.

About 15 per cent of reserves have some metallic mineral deposits, 10 per cent have non-metallic deposits and 8 per cent have sand or gravel extraction potential. However, in1978-79, only $200,000 in revenues were realized from mineral extraction.

Of the 172,452 hectares of forested area on reserve, it is estimated that 129,339 hectares are susceptible to intensive forestry management practices, which over time could significantly raise the sustainable yields from these lands. Estimated potential annual revenues in the next decade could reach $10 million and significant employment opportunities would also be available under modern management and development régimes.

Indian Band governments continue to play a stronger role in managing their own affairs. The total expenditures by DIAND in the Saskatchewan Region amounted to $172.5 million of which $111.2 million or 64.5 per cent was managed by Band governments. Major expenditure areas include education, social development, community infrastructure, band government and economic development. The remaining 35.5 per cent is managed by DIAND.

With respect to the Métis and Non-Status Indian population, they have little collective land base or resource base except in the north, where some Métis communities and farms have been established on Provincial Crown Lands. There are currently an estimated 700 Métis and Non-Status Indian business operators, although this figure includes some AMNSIS locals. Predominant areas of involvement include

tourism, renewable resource development and construction contracting.

INDIAN AND NATIVE DEVELOPMENT INSTITUTIONS

B.1 Political Institutions

The Federation of Saskatchewan Indian Nations (FSIN) is the umbrella political organization for the 68 Status Indian Bands in the Province. In general, it is a developed and structured organization, politically controlled by the Bands, but funded by DIAND annually for core operations, receiving additional monies for special programming. The Province currently provides the FSIN with $80,000 in special liaison grants. Until recently, the FSIN administered the Provincial program of economic development assistance in the amount of $2.0 million. Provincial concern regarding the high level of overhead costs and consequently the low level of funds reaching the Bands, resulted in the Province directly administering the program. This is currently under review.

The Association of Métis and Non-Status Indians of Saskatchewan (AMNSIS) is organized into 127 locals in 11 areas. Each area elects its own area director who is a member of the AMNSIS board. The board also contains an executive elected by representatives of all 127 locals at an annual assembly. In 1984, AMNSIS is receiving core funding of $676,950 from the Provincial government and about $600,000 from Secretary of State (federal). Some concern apparently exists in regard to the level of funding available for AMNSIS locals under existing arrangements. AMNSIS has no direct association with the Friendship Centres, although informal links (cross-membership), exist in some cases.

Historically there are a number of small farms which have served as employment and training bases for Métis (and a small number of Non-Status Indians). One of these (Lestoche) is owned by AMNSIS and is still in operation and total approximately 150 acres. In addition, some northern communities are composed of and governed by Métis and Non-Status Indians. Six large Métis farms are on Crown lands. AMNSIS has an outstanding proposal to acquire lands in the Batoche area to develop into an historical tourist park, commemorating the 1885 rebellion, although there has been no funding commitment to date.

B.2 Economic Development Institutions

The Saskatchewan Indian Agricultural Program (SIAP) is an Indian-controlled non-profit sectoral development corporation established in 1975. It provides technical support, training and financial contributions in support of

land development, capital acquisitions and operating expenses related to assisting Indian farmers. Current annual allotment is $2.4 million by way of a direct contribution from DIAND. Agricultural production on Indian reserves in Saskatchewan has increased from $1.2 million in 1971 to $18 million in 1982. Total on-farm assets of SIAP-assisted clients now exceeds $35 million, up from $6.5 million in 1975 at the inception of the program. Per unit gross incomes have increased ten-fold to in excess of $38,000 per annum over the decade 1971-82.

The Saskatchewan Indian Equity Foundation (SIEF) was established in 1982 as an Indian-owned incorporated entity to operate as an economic development institution responsive to the needs of Indian entrepreneurs. Specifically, it is intended to provide equity loan capital, assist in the preparation of business plans, access to other sources of business equity and loan capital, and technical and management support. SIEF is currently funded by DIAND in the amount of $500,000 for operations. It intends to seek $16.1 million in funding over ten years from the Native Economic Development Fund, to assist in developing some 1,770 new permanent jobs anticipated to result in some $230 million in wages over ten years.

The Venture Capital Corporation is proposed to access through private placement, capital funding up to $5 million, to be utilized as debt and/or equity to provide economic development opportunities for Indian and Native ventures. It intends to be a profit-making institution making direct investments and taking a direct involvement in native-owned ventures in Saskatchewan.

The Saskatchewan Indian Nations Corporation (SINCO) is a Status Indian holding company established in 1979 and owned by its 50 member bands. The six companies of SINCO engage in activities which include realty, consulting, oil and mineral exploration, security services, novelty items and trucking. The consortiu;m contends that it is profitable, although there is a significant infusion of government funding from DIAND and Special ARDA.

The proposed Native Economic Development Foundation seeks to create the institutional capacity to facilitate economic and employment in Métis communities and to thereby reduce the dependence of native people on government, both for income maintenance and with respect to institutional support. The initial stage of the proposal envisages Provincial funding for the development strtegies, including programming and appropriate accountability mechanisms.

B.3 Educational Institutions

The Saskatchewan Indian Community College was established in 1973 and is accredited under the Community Colleges Act with a governing board appointed by the FSIN. In 1983-84 it had enrolled 632 students, 58 per cent of whom were in adult education, 20 per cent in technical training and 22 per cent in specialized training. The College had a budget in 1983-84 of $3.2 million, of which the Province recovers 90 per cent from CEIC and 10 per cent from DIAND. A deficit of $135,000 was covered by the Province. The College is currently proposing to set up 12 satellite colleges around the Province.

The Saskatchewan Indian Federated College was established in, and is currently affiliated with, the University of Regina. The Federated College offers a university learning environment that is tailored to Indian educational requirements.

The Gabriel Dumont Institute was established in 1978 to develop and deliver educational programs for Métis and Non-Status Indians. Specifically, the Institute provides a research and resource centre for Native Studies and curriculum development. In addition, it engages community development work through six field staff in the eleven Métis areas to facilitate the training concerns of the communities. The Institute was provided with $873,000 in 1983-84 by the Province to carry out these functions.

The Institute has also engaged in project development and consulting. These activities are not supported from core funding, but are to be sustained on a fee-for-service basis. The Institute has a substantial teacher training program called SUNTEP and has proposed a decentralized training program to provide post-school occupational training in several areas of the Province and to be funded primarily by CEIC and accredited by the Province.

B.4 Other Organizations

The Saskatchewan Native Friendship Centres operate in 12 localities in the Province under a Provincial association with combined operating budgets of about $3 million. While they have traditionally provided basic counselling services, they recently opened a receiption centre in Regina to provide in-depth employment counselling. With a $200,000 grant from CEIC the centre serves urban and migrant natives, providing counselling and referral services and acting as a resource centre. The Association has recently issued a sttement undertaking responsibility for native economic development in urban areas of the Province, and is seeking support from the Native Economic Development Program to

provide small business development, training and management assistance services in Regina, Saskatoon and Prince Albert

POOR

QUALITY

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